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ABSTRACT

Many work-bound youths have poor work habits and poor basic skills in reading, writing, and mathematics. Many work-bound youths, especially minorities and females, spend their first years after school unemployed or job hopping, with consequent loss of training and productivity. These problems are becoming more serious because minorities and females are becoming an increasing portion of the labor force and the youth labor force is shrinking while demand is projected to increase. Achievement cannot be improved without student incentives and teacher authority. The school-work transition and employers' hiring practices undermine student incentives and teacher authority. Lacking authority, teachers make "bad bargains" with youths. Japan, West Germany, and Boston use alternative models. To improve the situation of noncollege-bound students, (1) employers should hire youths based on grades, test scores, and school recommendations; (2) employers must show youths how basic skills lead to desirable jobs; (3) employers must tell school counselors about job openings and hiring criteria, trust counselors' recommendations, and make hiring selections while youths are still in school; (4) schools must make grades meaningful to employers, especially recruiters and supervisors; (5) schools should rate students for "effort" and for "improved skills"; (6) teachers should write references for work-bound students, as they do for the college bound; (7) schools must make grades and teacher recommendations available to employers and make transcripts easily understood and compared; and (8) schools must restructure the general track to offer preparation for youths' future goals. (80 references) (CML)

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4. EMPOWERING SCHOOLS AND TEACHERS: A NEW LINK TO JOBS FOR THE NON-COLLEGE BOUND

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FINAL REPORT

4. EMPOWERING SCHOOLS AND TEACHERS: A NEW LINK TO JOBS FOR THE NON-COLLEGE BOUND

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Demographic changes already at work are making American workforce problems more serious. The problems are well documented. First, many work-bound youths have poor work habits and poor basic skills in reading, writing,and mathematics (NCEE,1983; CED, 1985;NAEP,1985). Second, many work-bound youths, especially minorities and females, spend their first years after school unemployed or job hopping, with consequent loss of training and productivity.

Two demographic changes are making these problems more serious. First, minorities and females, groups that have had the most difficulties becoming integrated in the labor force, are becoming an increasing portion of the labor force (Johnston et al., 1987).

Second, the youth labor force is shrinking while demand is projected to increase. From 1979 to 1995, the 18-24 year old population in the US will decline by more than 25% (Berlin and Sum, 1988). In contrast, the most common view of our economy projects a strong gain in jobs over this period. Much of this gain will come in jobs requiring higher skills, while there will be little gain in jobs for people who cannot read and use mathematics (Johnston et al., 1987). "Unless workforce basic skills are raised substantially, and quickly, we shall have more joblessness among the least skilled, accompanied by a chronic shortage of workers with advanced skills."(Howe, et al., 1988).

These changes present serious challenges and opportunities to American society. The projected labor shortage means that jobs will be available for all work-bound youths who have basic academic skills, if our schools can educate them to that level. More disturbing features to this shortage are anticipated by some business and labor groups who foresee potential "labor market disruptions" for some sectors of the economy.

These changes are particularly alarming because our society is so ill-prepared to deal with them. We have become comfortable with squandering large portions of the youth labor force. For the past decade, a labor surplus made it easy to underutilize many new high school graduates, letting them endure long periods of unemployment and aimless job turnover. While these practices led to some expenses for the welfare system, they created minimal difficulties for the economy. The projected labor shortage suggests that we can no longer afford to squander young workers.

Some argue that free markets can adapt to these changing needs as they arise. As labor shortages occur, wage rates will rise, providing increased incentives for youths to educate themselves for the available jobs. However, this is not an instantaneous process. Young people cannot remedy six years of educational deficiencies in a year or two. We can reduce the future disruptions to the economy by anticipating future needs and by providing clear incentives now for youths to get the education they will need in the economy of the 1990's.

While other reports have addressed these issues, this report is distinctive in two respects. First, rather than focussing on academic problems, we focus on motivation problems, which are

important in themselves and which affect academic problems. Second, rather than focussing on improving schools, we focus on improving labor market practices, particularly employer practices. While we believe schools must be improved, schools cannot do it alone. Schools need employers' help. In particular, employers must give schools the authority to control incentives valued by youths. The growing awareness of the developing labor shortage encourages us to believe that employers and schools will be receptive to the proposed reforms.

Achievement cannot be improved without student incentives and teacher authority.

Numerous reports have identified the poor academic skills of American youths (NCEE,1983; NAS,1984; CED, 1985;NAEP,1985). While poor academic skills are important problems, the reports may have focussed too narrowly on symptoms, not causes. The reports have called for longer school days, longer school years, and increased standards for teachers' qualifications, for curricula, and for graduation. While these reforms may be desirable, they ignore other critical influences on basic skills: students' motivation, efforts, and discipline.

Like pushing on string, increased hours and demands will be ineffective if students continue to ignore teachers' assignments. Reforms that compel students to spend more hours in school still cannot compel them to exert effort. Indeed, some researchers have suggested that increased hours and demands will only increase the number of school drop-outs (McPartland and McDill, 1977).

Motivation and discipline are important problems in schools. In every Gallup poll over the past 19 years, parents have identified disipline as one of the top two problems facing the public schools, with drug use the other leading problem in recent years (Gallup 1988). More intensive studies reach similar conclusions: Lack of student interest, student misbehavior, and drug and alcohol use are the three greatest high school problems. This is a finding of Goodlad's (1984) survey of 13 high schools. There is broad agreement on this by all parties. In Goodlad's survey of 664 teachers, 4212 parents, and 7677 students, all three groups rate these as the most important problems in high schools. Many other problems were also noted, but they were ranked as less important. Among the 14 items that were ranked lower were class size,inadequate resources, standards,poor teachers, administration, curriculum, and rules. To judge from these views, the panel reports' recommendations on hours, teachers, and curricula have ignored the most important problems.

Students' poor motivation is manifest in a variety of ways. Absenteeism, the most pervasive problem, has increased greatly since the 1960's (Meyer et al 1971) and is a nationwide problem (Birman and Natriello 1978). Class cutting, being in the school but not in classrooms, is the next most common problem, and it often is associated with other problems like fights and drug use. Other common discipline problems include tardiness, disruptive behavior, verbal abuse, failure to do homework assignments, and drug or alcohol abuse(Hollingsworth et al. 1984; Cusick 1983; DiPrete etal 1981; Chobot and Garibaldi 1982; DeLeonibus 1978; Thompson and Stanard 1975).

An inventory of problems does not capture their full implications for classroom processes. The acts of a few students affect a whole class. Even if only a few students are absent in a day, different students are absent on different days,so "continuity in instruction is seriously impeded, as teachers

either have to backtrack to help the previous day's absentees catch up or have to abandon substantive content entirely"(Sedlak,1986, p.84). Moreover, "many students who attend classes sit passively at their desks, stubbornly refusing to finish homework assignments.. preferring instead to attend to other relatively unobtrusive non-school matters: personal grooming, card playing, ...[and] gossiping"(Ibid, p. 83). Student disinterest not only interferes with the individual's own learning, it also interferes with the entire class as teachers adjust to keep most students following.

The multiplicative effects of discipline problems are most evident with regard to violence. Although violence is a relatively infrequent problem(Gottfredson and Gottfredson,1985), it can have large effects. In the 1987-88 school year, 411 teachers in New York City schools experienced an injury requiring medical attention. Although a small proportion of teachers are directly affected, many others may avoid confronting students or may even stay home when they perceive a risk. Their responses, in turn, will affect many students.

Can student motivation be changed by policy efforts? Although some portion of motivation is probably engrained in personality and not easily changed, we are most concerned about the way motivation is manifest in behavior--as exhibited by student effort and discipline--and these behaviors are influenced by incentives and teacher authority.

Teacher authority is an important influence on students' school behaviors. Student effort and discipline do not occur in isolation; they occur in interactions between students and teachers. When a teacher makes an assignment, students' responses are a direct reaction to the teacher's authority.

In US high schools, teacher authority has been weakened by changes in values, legal rulings, and supports from external sources. Some indications of the weakening of teacher authority can be seen in the punishments that teachers can employ. Teachers used to expell students at their discretion, but legal protections of students' rights over the past two decades have been interpreted by teachers and principals to make expulsion very difficult (Gottfredson and Gottfredson,1985).[1] Teachers can keep students from being promoted, but even this sanction is rare due to social promotion practices. Teachers can prevent students from graduating, but one-time, all-or-nothing sanctions are difficult to implement, especially when so much is at stake. In actual practice, teachers rarely use these sanctions.

Grades are the main direct sanction that teachers control. The fact that student motivation and discipline are such great problems suggests that grades give teachers very little authority. We shall examine the reasons shortly.

This report contends that the main policy remedies for improving the quality of the youth workforce are increased student incentives and teacher authority. As we shall show, many motivation problems arise because schools, employers, and the school-work transition undermine teacher authority and the incentives that work-bound students value.Student behavior, and quite possibly, student motivation as well, are influenced by the incentives of the labor market.

The labor shortage of the 1990's not only provides special urgency to making the proposed reforms, but it also makes them have particularly great influence. Many low-income and minority youths acquired fatalistic attitudes because they had little chance to get good jobs during the labor

surplus of past decades. In that time, they didn't just need basic skills; they had to do better than middle-income youths, who had early advantages, social contacts, and social prejudices going for them. However, the labor shortage of the next two decades creates new opportunities for these youths. Rather than being a zero-sum competition for too few jobs, the labor market will be the reverse--a competition for too few workers. In this situation, students' rankings will be less important than their achievements. Low-income youths won't have to surpass middle-income youths to get skilled jobs; they will get these jobs if they have the requisite skills.

The above considerations lead to a very optimistic conclusion. Low-income and minority youths must be given a new message: "There is a new game now, and the new rules help you!" Low-income and minority youths don't have to improve their relative rank; they only have to gain the requisite skills. But they must get the word that their opportunities have improved before they will work in school. These new opportunities may help youths to unlearn fatalistic attitudes.

In sum, students will not respond to increased standards if they don't see any incentives to do so. But the new labor shortage provides an opportunity to offer students strong incentives that can motivate their efforts, and if these incentives are controlled by teachers, then teachers will have enhanced authority to raise standards and improve achievement. The following sections outline how schools, work, and the school-work transition affect student incentives and teacher authority.

Four Factors Affecting Student Incentives and Teacher Authority

Having attributed youth problems to a lack of incentives and a lack of teacher authority, the following sections consider how student incentives and teacher authority are affected by practices in schools, work, and the transition between them.

1. Schools undermine student incentives and teachers' authority for many non-college students.

School is the first place we'd look for the breakdown of student incentives and teacher authority, since that is where it happens. Several school practices contribute to this breakdown.

First, schools focus their efforts and resources on college-bound students, so non-college students may feel neglected. High schools originally prepared students for college. Although their mission has broadened over the twentieth century(Trow,1961), the stress on college preparation is still evident in many school practices. High schools devote more resources to college preparatory classes. These classes get better teachers, new textbooks, better science laboratories, and more special programs(Rosenbaum 1978, 1980; Oakes, 1986).[2] Teachers and guidance counselors may even allocate more of their time to helping these students(Heyns, 1974).

Second, general tracks promise very little to students. While college tracks and vocational tracks promise preparation for specific goals, the general track has no clear goals and does not make any specific promises to students about the benefits of their education (Rosenbaum, 1976). Perhaps as a result, the general track tends to have more than it share of effort and discipline problems. Combs and Cooley(1968) found that nearly three-quarters of high school dropouts were in the general curriculum at the time they left school. Kelly(1974) found that, even after controlling for sex and social class, noncollege track students are more likely to report drinking alcohol, smoking

cigarettes,skipping school, stealing, vandalizing, and gang fighting(see also Rosenbaum 1980; Stinchcombe, 1965; Polk and Schafer, 1972, Oakes, 1985).

Third, vocational tracks, which offer clear goals, often deliver less than promised. The evidence on the benefits of vocational tracks is mixed. Some studies find no difference between vocational and general track graduates in job level, salaries, or work performance (Kaufman and Schaefer, 1967; Garbin,1970; Grasso,1972; Oakes, 1985:152). Other studies find that vocational programs give some advantage in obtaining a high-status job and in raising wages if the job is related to one's training (Hotchkiss and Dorsten,1987; Meyer, 1982). Given scholars' confusion, students may also be confused about the benefits of vocational education. Moreover, there is great variability in the quality and effectiveness of programs both across and within schools.

Fourth, many work-bound students are involuntary captives to credential requirements. Schools offer these students one reward--a diploma. A diploma is often the only reason non-college students remain in school. Over 85% of American youths obtain diplomas, and the diploma has become a prerequisite for a decent job and even for many low-skill jobs. However, although students see a clear need for a diploma, they do not see any reason to learn what is taught in school.

This combination of incentives persuades many unmotivated students to stay in school to obtain the diploma, but it doesn't persuade them to work hard or be involved. As a work-bound student reported, "I'm just here to get the diploma, waiting until they give me the diploma" (Rosenbaum 1976). A teacher reported a similar view, "These kids don't want to learn. You can't teach them anything. They are just sitting in these seats until they get their working paper--a diploma." In the minds of students and teachers, school attendance has a legitimate purpose, but schoolwork does not. As a result, students don't work in school, and teachers know they can't make them work (Sedlak, et al.,1986).

2. The school-work transition undermines student incentives and teacher authority.

In the US, the transition from high school to work is unclear and difficult. Youths have difficulty seeing a route into good jobs or seeing how school can help them. Since clarity and difficulty are relative terms, we can see them more clearly by comparison with another country.

We take American practices for granted, but their shortcomings are evident when compared with Japan. In the "High School and Beyond" surveys in Japan and the US, youth were asked how they search for jobs(NSK 1984;NCES 1983). While over 75% of Japanese high-school seniors used schools' job placement activities to find jobs, fewer than 10% of US seniors used their school's placement services(Kariya and Rosenbaum 1988). The low counselor-student ratio (1:450) and the stress on college placement in the US are partial reasons (Dunham 1980). Perhaps the major reason is that American high schools rarely have contacts with employers (while they have regular contacts with college recruiters). In contrast, Japanese high schools receive notices of future job vacancies, and employers ask schools to nominate students for these jobs.

Of high-school graduates not attending college, virtually all Japanese students (99.5%) start working right after graduation (Ministry of Labor, 1982). In contrast, only half(49.4%) of American noncollege graduates have actually obtained jobs by graduation, and many won't have a

job until three or six months later (Nolfi, 1978: 53). Even then, an American high school graduate's first few jobs may only be dead-end jobs, which offer low pay, little training, and no advancement opportunity. It should not be surprising that students might question whether school will help their job chances.

Of course, it is possible that youths delay work entry to find more appropriate jobs for themselves. However, even after they find a job, American youths have a higher turnover rate than Japanese when they first leave school (under age 20) and in later years(age 20-24), during rapid and slow economic growth periods (Rosenbaum and Kariya, 1988). Moreover, of high school graduates who changed jobs within two years after graduation, 15% of American youths were fired or laid off (NCES 1982), while only 3.2% of their Japanese counterparts were (Nihon Seishounen Kenyuujo [NSK] 1984). This is particularly important, since being fired or laid off has adverse implications for a youth's job history.

For American youths who get jobs right after graduation, most (58.3%) of those jobs are only continuing the part-time jobs they had in high school (Nolfi 1978,p. 53). These students, and others who view their experiences, must have serious doubts about the value of the high school diploma when it only permits youths to continue jobs they were already doing.

Studies suggest that school counselors often do not tell students about available jobs, how to search for them, how to evaluate them, or how to impress employers(Rosenbaum 1976;Dunham, 1980). Counselors provide few contacts to employers, and they rarely know what jobs youths get, or even whether they got one. Schools are not responsible for these matters.

In contrast with schools' extensive help to college applicants, schools give little help to job applicants. As a result, while few college-bound youths have much difficulty finding a college and staying at the same college, work-bound youths face a long period of job search, job hopping, and involuntary job turnover, unless they settle for the part-time jobs they already had.

Schools are not solely at fault. Employers often do not tell schools about job openings, ask schools' evaluations of students, or hire until youths have left the school.

3.Employers' hiring practices undermine student incentives and teacher authority.

Like their parents, American youths are very pragmatic. If they believe that school achievement affects their future careers, they will work in school. Elementary school teachers tell students that good grades will help their future careers, and this message bolsters teacher authority and gives students an incentive to work in school. Junior and senior high school teachers continue this message, but it begins to lose its effectiveness for some students. Although college-bound students continue believing it, work-bound students are less swayed by grades as incentives. They act as if they don't think grades have a payoff. Are work-bound students irrational to ignore this incentive?

Economic theory supports teachers' statements: it assumes that employers give better jobs and higher pay to youths with better grades, because they will be more productive. National panels (NCEE 1983;CED 1985) also support this view. They indicate that employers want applicants to have greater basic skills in reading, writing and math.

However, research indicates that work-bound students are right to be skeptical. Employers do

not respond to the selection criteria that theory, national panels, and teachers expect them to value. Grades and test scores have little effect on which youths get jobs, better jobs, or better wages. Using national survey data (NLS72), Griffin et al.(1981) found that aptitude, class rank, and other school information have small and often insignificant effects on unemployment and job attainments of high school graduates who directly enter the workforce. They conclude that "none of the variables included in these equations...has substantial impact on positioning persons in either the primary or secondary sector or even on employment/ unemployment" (p.212).

Using the same data, Meyer and Wise(1982,p.312) found that class rank in school had insignificant effects on wage rates two years after graduation(1974) and only barely significant effects four years after graduation(1976). Willis and Rosen (1979) found that a one standard deviation increase in math and reading scores of high school graduates lowered the first job's wage by 3.5%. Bishop(1987) found that although basic achievement raises productivity, it has relatively small effects on youths' wages. In analyses of seniors in the "High School and Beyond" survey, grades have large effects on youths' getting white-collar and skilled jobs in Japan, but grades have small effects in the US (Kariya and Rosenbaum 1988). The small effects of grades on early jobs in the US have been extensively documented.

Why don't grades and test scores influence hiring decisions? Bishop(1989) believes schools are responsible. He notes the case of Nationwide Insurance Company which sent applicant-signed transcript requests to 1200 high schools and received only 93 responses. While this example is important, it isn't clear that schools are totally at fault. Employers tend to be well represented on school boards, and schools usually respond when employers are unhappy with a specific aspect of schools. If many employers wanted transcripts, schools would probably respond to these requests. We must wonder how many employers care about getting transcripts.

Studies of employers' attitudes and practices suggest another explanation for why grades and test scores don't influence hiring decisions. Some researchers have asked employers about their hiring practices. In a national survey of 1900 personnel officers, Crain (1984) found that they did not consider grades important for hiring high school graduates. A strong personal impression in an interview and a recommendation from a manager were rated "very important" by 76% and 56% of personnel officers, while grades and tests were so rated by only 18% and 12%. Diamond's (1970) survey of employers in ten major entry or near-entry occupations in New York and St. Louis also found that less than half used tests even for the most demanding jobs, and the main hiring criteria for these jobs was impressions in an interview. David Bills found that none of the employers he interviewed were concerned with grades (personal communication, May 27,1988). Employers rarely obtained school transcripts, and some employers didn't even request them. One employer actually refused to consider applicants with high grades because of a belief that these individuals would lack social skills. Even when school experience was considered, it wasn't necessarily academic. A bank personnel officer reported that he sought people with social skills, so that extracurricular activities were more important than grades. Crain and Bills both found that employers care about grades more for college graduates than for high school graduates.

In informal discussions, employers have told me that course titles, abbreviations and grades on school transcripts are hard to interpret or compare across schools. Many researchers, including myself, have had similar reactions. The difficulty of interpreting and comparing transcripts must deter many employers from using them. Employers also report that they think grades are irrelevant to their jobs and school tasks are irrelevant to their work tasks. Many employers have done better at work than at school, so their experience tells them that school grades don't predict work success. Although these are good reasons to ignore grades, they conflict with employer complaints about youth's work habits and reading,writing and math skills. Perhaps different employers hold these different beliefs,or perhaps some employers hold both ideas simultaneously: employers' criticisms of grades may come from their own work-entry experiences, while their complaints about youths' academic skills are a recent concern, arising from the greater skill demands of jobs and the changing composition of the youth labor market in the past decade. In any case, employers need to reconsider their reasons to ignore grades, and they need to reconcile their conflicting beliefs.

Although employers' concerns about poor basic skills imply that they would use high school grades for hiring, they do not do so. Bills' research indicates some possible reasons. We need more research on employers' complaints about school evaluations. Perhaps schools should ask employers how grades and transcripts could be more useful. In any case, employers' disregard of youths' school achievement indicates a profound breakdown of signalling capacity.The information that is potentially the best indication of youths' reading, writing, and math skills is not being used.

Apparently, students are not mistaken to scoff at grades. Grades don't affect the early jobs of high school graduates, and employers report that they don't use grades. While college-bound students have clear incentives to work in school, work-bound students do not.

A second employer practice also undermines school incentives. Many employers don't hire new high school graduates into the primary labor market (jobs offering training, advancements, job security, and better wages) because they think recent graduates are too young and too unreliable. "Well established firms with a sizeable investment in plant and equipment... prefer to hire men twenty five to thirty years of age, who are married and ready to settle down, after they have so to speak, sowed their industrial wild oats in other plants(Lester,1954,p. 53). Other studies also find that younger workers are hired by smaller firms, construction firms, and firms hiring many clerical workers, while older workers are preferred by manufacturing firms with skilled blue-collar jobs (Malm,1954; Hill and Nixon,1984). Similarly, a study of 35 Massachusetts firms found that primary labor market firms, those which provide the best-paid, most desirable jobs, "generally prefer not to hire young men just out of high school"(Osterman 1980,p.26). These preferences are sometimes company policies. I have seen several Fortune 100 corporations which have policies against hiring applicants under age 25 for full-time jobs. (Ironically, some have representatives on panels concerned about youths' poor academic skills.) Hamilton (1987) reports similar practices.

Youth avoidance practices may arise because employers want to hire employees who are likely to stay in the firm, and age is seen as an indicator of stability. The avoidance of young employees is due not to a lack of skills, which employers feel they can provide, but to employers' inferences

about youths' propensity to stay with the firm (Osterman,1980). "The reluctance of primary firms to hire young workers forces youth into the secondary sector... Thus it is the hiring pattern of primary firms that is the central structural characteristic of the youth labor market rather than, as is frequently argued in the popular literature, the youngsters' lack of entry level skills"(Ibid.,p.27).

As signalling theory tells us, the choice of hiring criteria is an economic issue: employers choose easily obtained criteria which help them get better employees. Age is easily obtained and may be a modest (but not strong) predictor of the propensity to stay at a job, so it would seem to be an economically useful signal. However, its use prevents employers from distinguishing among youth and identifying which youth are more stable and productive. We have argued that school records may contain better signals: grades, effort, and attendance.

Moreover, firms' avoidance of youth may have additional costs. If recent graduates can only anticipate unskilled jobs that don't use basic skills or offer advancements, then high school students won't have incentives to learn basic skills or work habits. This may undermine the basic skills and work habits of all youth, including those whom employers will hire seven years after graduation.

Employers' strategy has a short-term logic: recent graduates may have worse basic skills and work habits than 25-year olds. However, employers have more to gain by taking a long-term view: if they hired recent graduates with better grades, students would have incentives to work in school, recent graduates would have better skills and work habits than they now do, and so would 25-year olds. While employers can get more mature workers by hiring 25 year olds, they cannot avoid getting the products of this poor incentive system.

In addition, by waiting until applicants reach age 25, employers will have more difficulty assessing basic skills. This may explain why grades (earned 7 years earlier) don't affect hiring for better jobs, since this information is pretty old by the time employers hire 25 year olds.

By ignoring grades and not hiring new graduates into primary labor market jobs, employers undermine students' incentives to work in school and deprive teachers of authority. We turn, then, to see how teachers cope with their diminished authority.

4. Lacking authority, teachers make "bad bargains" with youths.

School policies, guidance practices, unclear paths to work, and employer hiring practices all deprive teachers of authority over work-bound youths. With their sources of authority undermined, teachers still must come to terms with youths who unwillingly attend school to get a diploma but who have no incentive to work or behave in school. How do teachers respond to this situation?

Like lion-tamers without a whip, teachers reduce their demands on their charges. As long as they are in the same classroom, they have to reach an accommodation, and with limited bargaining power, teachers compromise their expectations. Tracing the history of this condition and reviewing modern studies of classrooms, Sedlak et al (1986) develop a strong case for seeing the declining standards in American schools as arising from such "bad bargains."

> During the twentieth century, adolescents have progressively disengaged themselves from their high school's academic experience..Traditional incentives which once kept at least a large percentage of the high school student body modestly involved in academic work have eroded for both ideological and economic reasons.The collapse of

these incentives has left many classrooms filled with indifferent and disaffiliated students.(Sedlak, et al, 1986:13)

American high schools have dramatically lowered standards for graduation, and the high school credential is no longer a meaningful signal of academic achievement. Students have learned that they can get a diploma without working in school, so they see little incentive to work in school unless they have college plans. Teachers still have the power to flunk students and to prevent them from graduating, but teachers are reluctant to hold back the diplon poor work in one class, so failure is often not a credible threat. As a senior in a working class school told me, "as long as I don't cause too many hassles for teachers,they will let me get by and graduate"(Rosenbaum,1976).

Sedlak et al(1986, p.5) argue that teachers have made a bargain where they demand little of students if students will demand little from them: "In most high schools there exists a complex, tacit conspiracy to avoid sustained, rigorous, demanding, basic inquiry." This informal bargain evolves from the interaction between teachers and students, and this bargain has increasingly reduced educational standards over the course of the twentieth century.

This bargain mostly affects work-bound students. College curricula may have experienced a small dilution of standards, but college admissions places an important constraint on standards for college-bound students. Presumably, employers could provide a similar constraint in limiting the declining standards for work-bound students if they wished. Teachers and students can reach a bargain for lowering standards for work-bound students because employers have no impact on standards or do not care about standards. However, if employers were linked with schools as colleges are, and if employers had hiring standards, then they could have similar influence.

The bargain arises from teachers' lack of authority. Teachers are desperate. They are locked into the school with students, many of whom are unwilling inmates-- captives to a job market which requires a diploma, but not the accompanying skills. Students' only incentive is a diploma, a reward that is too valuable for teachers to withhold for poor work in one course. Teachers don't want to prevent a student from graduating just because they didn't pass a course. Teachers are further constrained by the dictates of state subsidy requirements, which make a substantial portion of the school's finances tied to student attendance. Having their only sanction, grades, disvalued by employers, teachers feel constrained to make bad bargains.

Schools are not solely to blame for the decline in standards. By ignoring grades, employers undermine schools' authority to pose standards. While colleges authorize schools to evaluate students and provide incentives for schools to devote resources(their best laboratories, books, and teachers) to college-bound students, employers let schools ignore work-bound students and offer low standards and few resources to these students. If employers contacted schools, valued their evaluations of students, and rewarded accomplished students, schools would respond differently.

Alternative Models: Japan,Germany,Boston

In many respects, the US labor market operates like a pure market. This has some advantages, but it can also have serious disadvantages. Markets sometimes lack ways to convey information. For instance, in the youth labor market, employers often lack good information about applicants,

and youths lack good information about the basic skills they need to do well in jobs. We are used to our labor market practices, and we take its outcomes for granted. However, other practices are possible, and these alternatives have quite different outcomes.

Having reviewed some causes of youths' problems, we now review some different models of school-work linkages where these problems are much attenuated. The essential features of all three models are that work-bound youths have incentives to learn and teachers are empowered to affect important outcomes for youths.

The Japanese System

Japan has a very different youth labor market. It violates much that we assume about markets, but it has much better outcomes than our youth labor market. In Japan, many firms have long-term arrangements in which they authorize high schools to nominate students to fill their job openings. Schools are expected to nominate students with better grades for better jobs. The link between grades and jobs extends down the scale, so even students with poor grades can get a better job by improving their grades. The quota of jobs that a high school can fill in this way depends on the school's reputation and the company's experiences with the school's previous graduates. Schools know they must stick to these criteria: If they don't, they won't get jobs from that firm in the future. If schools stick to these criteria, employers give schools authority to affect student careers.

Japan's system is highly structured. Institutional arrangements limit the operation of the labor market. But Japan's system has several advantages: schools--which have extensive information about students and jobs--make first selections. As a result, employers get better achieving students for their more demanding jobs, and students know how the system works and they see clear incentives to work in school(cf. Rosenbaum and Kariya, 1988).

The West German System

The West German system is one of the most effective in Europe. It "offers a comprehensive list of services, organizes the transition from the national government down, [supervises schools' efforts] to initiate and carry out activities without outside supervision, uses bridging agencies that strongly involve the labor market authorities, and integrates youth services with those for adults" (Reubens,1976). It provides clear incentives for students, since students with better grades get into better vocational schools, get apprenticeships in better occupations, and ultimately get better jobs.

It also provides clear linkages to work. German schools provide clear vocational preparation; 88% of work-bound students receive a recognized vocational qualification and few fall between the cracks (Osterman, 1988, p.114). Moreover, in contrast with the uncertain preparation of the general and vocational tracks in the US, employers trust vocational graduates to have a dependably high level of skill, and youths' first jobs tend to be related to their preparation. The German Federal Employment Office also enhances the linkage by providing vocational services to schools, and providing individual counselling to those leaving school, of whom 60-80% participate(Arnow, et al,1968, p.142). Employers also contribute to the linkage. "Employers have social obligations to fulfill by training apprentices" and the federal government can levy a payroll tax if a firm fails to provide its share of apprenticeships (Hamilton, 1987, p.322). The German apprentice system

enables youths "to move directly into primary-labor-market careers at a time when their counterparts in the US...begin a period of low-skill and low-paid work" (Hamilton,1987, p.314).

The Boston Compact

In 1982, Boston businesses, trade unions, and colleges signed agreements with the Boston Public Schools to increase youth employment and access to college, while the schools promised to improve student achievement, attendance, and graduation rates(Farrar and Cipollone, 1988).

Despite its many successes, the Boston Compact falls short of the standards suggested by our analysis. First, although schools have incentives to improve average achievement, the program doesn't offer incentives to students. Second, it does not increase teachers' authority. Third, it does not stipulate the quality of jobs to be offered or how they are related to individuals' performance.

Yet these issues are addressed by some schools and some employers in the Boston Compact. In interviews conducted especially for this report, I learned that some schools have incorporated the kinds of individual student incentives suggested by our analysis. In telephone interviews(December 15-22 1988), staff members at the Boston Compact and PIC (Private Industry Council) offices gave me further details about the way the Compact works.

They indicated that some schools have used jobs as incentives for work-bound students. Like Japanese high schools, each Boston high school has a few highly prized jobs reserved for its graduates. White-collar jobs with large banks, insurance companies, or computer firms are most desired because they offer better pay, better training and advancement, and more job security. For example,for Hyde Park high school, Bank of Boston was one of the most desired employers. For English high school, John Hancock Life Insurance Co. offers some of the best paying jobs.

Also like Japan, some career specialists reserve the best jobs for students with the best school records. Grades, teacher evaluations, and attendance were used to determine who was nominated for the best jobs. Unlike Japan, career specialists do not enforce rigid grade standards for jobs.

A PIC official reported a story of two boys who did well in their summer jobs at a large bank after their sophomore year. However, in their junior year,one did well in school while the other did poorly, letting his attendance and grades decline. Even though the bank wanted to hire both again the following summer, the school counselor refused to let the latter student return to the bank, offering him a less desirable manual job. According to the report, this student worked much harder in his senior year, and ultimately got a good job after graduation. Although I have no evidence about how often this kind of selection occurs, the story conveys an important lesson to students.

The "Earn and Learn Program" in Brighton(a region in Boston) is another example where school performance affects jobs and pay. Extensive efforts by the Brighton Board of Trade have enlisted particularly great cooperation by firms, including lower foremen and supervisors. This program allows students' school grades to affect their jobs and their pay raises in their parttime and summer jobs. The PIC official indicated that while company presidents are sometimes willing to give schools authority and make grades count, foremen and supervisors--who have to supervise these young workers -- are sometimes obstacles to school partnerships. The Brighton program succeeded in enlisting the cooperation of this group.

The fact that the career specialists are selected by the PIC office may give them a better feel for how to select youth for employers. Unlike school counselors who may be less familiar with local employers than with local colleges, PIC representatives may have a good idea of the kinds of employees required by particular jobs and particular employers. In any case, the fact that career specialists were selected by PIC may give them greater credibility to employers. Of course, this may also weaken their relationship to teachers.

We must caution that the above efforts may not apply in other Boston schools, and we don't know how effectively they've been implemented nor how many students have been affected. We note them because they seem to be efforts to extend the Boston Compact in the direction we've suggested--to make incentives for individual students. Their effects require more detailed studies.

In terms of the overall success of the program, the Boston Compact has not lived up to all of its goals. Although employers did their part in offering jobs, the schools have not succeeded in raising student achievement,attendance, and graduation rates(Farrar and Cipollone 1988). Some conclude that the program is a failure. However, it is possible that the Boston Compact did not go far enough to implement its ideals.The Boston Compact created incentives for employers and for schools, but it did not create incentives for individual students.

Nor did the Compact bring teachers into the process in a systematic way. In Japan, grade-based job selections give teachers considerable authority over students, and we suspect that the Boston Compact could increase teacher authority, too. A program which enhances teachers' authority may greatly reduce discipline problems, which are highly disruptive in American high schools (Sedlak et al 1986).

As noted, some career specialists in a few schools made some efforts toward basing jobs on school performance, but the program did not foster these incentives generally. A single career specialist acting alone in a school probably affects only a few juniors and seniors, and even fewer young students. Indeed, the Compact had little way to motivate elementary and junior high school students. By the time students became aware of the Compact in high school, they may have felt they were too far behind the schools' achievement standards to catch up.

Like the Japanese system which creates incentives all the way through the school system, the Boston system may have to show elementary and junior high school students, and all students in the high school, that grades matter. The Japanese system suggests that the Boston Compact may be a good effort in the right direction, but it may not have gone far enough in implementing its ideals.

Recommendations

Ironically, while employers blame schools for poor student achievement, employers control the most important incentives--jobs. Employers can motivate students and bolster teacher authority by hiring based on teacher ratings, by clarifying the relationship between basic skills and desirable jobs, and by making stronger ties to schools and clearer paths from school to work.

Schools also have a role. Some schools shortchange work-bound students by assuming they need less help than college-bound students. Schools can improve incentives for work-bound students by having strong ties with employer recruiters as they do with college recruiters, by providing information and counseling for work-bound students as they do for college-bound students, and by writing recommendations for work-bound students as they do for college-bound students. Schools can also improve student incentives and teacher authority by restructuring the general track and by making grades meaningful to employers and motivating to youths.

Employers, schools and youths must realize the great challenges and opportunties of the 1990's. Because of the coming labor shortage, we will need more youths and better educated youths. We cannot produce more 18 year olds by 1995(except by altering immigration policy), but we can stop wasting youth. Indeed, we must do so. We cannot afford to let work-bound students be poorly educated or spend long periods floundering before getting work. Employers and schools must begin taking actions now to help youths prepare for their new opportunities. Youths must be told that they have new opportunities for good jobs and that they have clear incentives to work in school. The youth shortage gives urgency to the following reforms.

1. Employers should hire youths based on grades, test scores, and school recommendations.

This can benefit employers in two ways. First, grades, achievement test scores, and teacher recommendations provide better information about basic skills than employers can get from brief interviews, which are the most common screening method. If employers care about basic skills, and many say they do, they should hire based on grades.

Second, employers can increase teachers' authority by empowering them to affect students' jobs. Just as admission to a better college is a strong incentive for college-bound students, a better job is a strong incentive for work-bound students. This is the most effective way to increase teachers' authority. If students see that teachers can influence their future jobs, they will be more motivated to work in school and to acquire basic skills.

2.Employers must show youths how basic skills lead to desirable jobs. Employers often claim that entry jobs, though not requiring basic skills, lead to desirable jobs that require these skills. Youths are skeptical. Students will see incentives to learn basic skills if employers show how entry jobs lead to desirable jobs which require basic skills.

Youth are often told that unskilled entry jobs offer training for advancement, even if labor markets don't make this explicit. The National Academy of Sciences report expresses these views.

"A career is a series of jobs, each often involving new responsibilities, new knowledge, and new skills...First

jobs often offer low pay and scant advancements--and may even discourage some new workers about their chances of finding better employment. But even jobs that do not offer opportunities for advancement provide the initial experience that every young worker needs; so, the quality of early jobs is less important to career prospects than that of later jobs."(National Academy of Sciences 1984, p. 14)

However, such views require much faith and patience from youth. To a new high school graduate --who still holds the same part-time job flipping hamburgers that he had before graduation--these words must seem vague and hypothetical. Similarly, to the youth's friends still in school, it may be difficult to see why they should get math and writing skills, if they only anticipate a job flipping hamburgers when they graduate. Youths cannot be expected to defer gratification and work hard in school in such circumstances. Vague inspirational generalizations about the experience offered by hamburger flipping require too much faith and patience from youth.

Employers must clarify the relationship between entry jobs and later jobs which use basic skills. Entry jobs don't reward basic skills, and jobs that reward these skills come so late that they are not salient to students and seem unrelated to entry jobs. Vague claims that entry jobs teach work skills that will help youth get better jobs are not enough to persuade skeptical youths. If employers believe their own claims, they could offer explicit job possibilities to help youths see a reason to get basic skills in school and a reason to work in their entry jobs. For instance, a hamburger chain could establish links with large firms to promise desirable skilled or clerical jobs to their best workers. Even better, employers could hire some new graduates into primary labor market jobs. Employers' efforts are crucial for helping students see a path from school to work that makes schoolwork relevant.

Youths need specific information about concrete job moves that people have followed after taking a particular entry job, and the probabilities of these job moves. Job advancement possibilities shouldn't be a matter of faith. Specific examples and timetables should be provided.

Employers' beliefs that 18 year olds are unreliable are a barrier to such reforms. However, their practices of hiring recent graduates into unchallenging entry jobs create a self-fulfilling prophesy. Until entry jobs offer youths incentives to stay in their jobs, youths are unlikely to do so.

If entry jobs were connected to career ladders, employers would be more likely to use grades for hiring into entry jobs, and students could see the relevance of schoolwork for their future careers. Such links may eventually happen anyway with the future labor shortage, but starting the linkage early would give youths incentives to work in school now. Indeed, since the youth labor shortage is likely to raise the wages of hamburger flippers in the 1990's, such career arrangements may even slow the rise in the wage costs of entry jobs.

3. <u>Employers must tell school counselors about job openings and hiring criteria, trust counselors' recommendations, and make hiring selections while youths are still in school.</u>

The unstructured labor market creates much youth unemployment and turnover which leads to temporary losses of time, and permanent losses of wages(Ellwood,1982;Evans,1987). In contrast, some European countries make schools responsible for helping youths find work and make some

employers responsible for helping to place students(George 1987). In Japan, schools actually nominate students for jobs and help students get jobs before graduation.

Rather than pushing youths into the labor market to fend for themselves, employers and schools could collaborate in the hiring process. Employers could tell counselors about job openings and the kinds of youths they hire, they could trust counselors' recommendations, and they could make hiring selections while students are still in school, so counselors could help youths' choices and employers' selections. By trusting schools' selections, employers would find students who are more qualified for primary labor market jobs.

In turn, counselors could tell students about available jobs, put them in touch with employers, monitor what jobs they get, and provide help for students having difficulty. Counselors are responsible for monitoring and assisting the progress of college applicants, presumably because students would have difficulty on their own. Obviously, many work-bound students also have difficulty navigating the transition to work, and schools could assist them. If students were hired while they were still in school, schools could see which youths are having difficulty and could provide additional help. Work-bound youths should not have to choose between continuing their after-school jobs and long periods of job search, job hopping, and involuntary job turnover. As in many other countries, American schools could be responsible for helping youths find jobs, training, or apprenticeships and for helping those who are having difficulty.

High schools could go even further. Like Japanese schools, they could nominate students for job openings. Although this system seems more extreme, college recruiters in the US often reserve a certain number of openings for particular schools and ask school counselors to nominate students for those positions. Rather than employers assessing youths in a 1/2 hour interview, schools can draw upon their extensive experience with these youths to recommend students for particular jobs.

Although many reformers urge schools to provide better information about work, employers don't seem to have explicit hiring criteria(Diamond,1970), they are reluctant to make hiring decisions before graduation, and they have not conferred authority to schools to affect hiring decisions. Schools can only offer information and guidance if employers' hiring practices are clear and patterned in ways that can be explained. Moreover, schools cannot help students find jobs if employers don't hire students until after high school graduation.

4. School counselors will be more effective if they have strong ties to employers.

Counselors should know employers' concerns and be trusted by employers. Given employers' reluctance to trust schools' evaluations and counselors' poor knowledge about jobs and employers, school-employer linkages will be more effective if employers participate in selecting counselors.

A school-based employment service is a way of making school-employer partnerships more effective. This is an idea which has been implemented in Boston, where the local Private Industry Council (PIC) selected the career specialists who work in the schools to advise and place students in jobs. Having been selected by an organization on which employers are represented, this counselor has knowledge of employers' general needs and of diverse concerns of different types of

employers, and this person is trusted by employers. Yet, by being based in schools, this counselor can encourage school achievement with the full authority conferred by employers. Moreover, by asking teachers' advice and using teachers' grades, this person gives teachers greater authority.This counselor can help to foster long-term relationships between schools and employers.

The current employment service knows too little about youths so it helps youths less than older employees, it tells employers very little about applicants' skills, and it has no effect on schools. A school-based employment service, with a single work counselor in each school, could provide much better information to students, teachers, and employers. These work counselors would have greater knowledge of students, which they could convey to employers. They would have greater knowledge about the particular needs of employers, which they could convey to students and teachers. These work counselors could not only convey better information in both directions, but could ultimately encourage youth to be come better trained.

5. After receiving clear information about employers' job openings and hiring criteria, school counselors can help employers hire suitable youths and help youths choose suitable jobs.

In a market system, information is critical. Markets provide incentives to acquire information, but not always the means. Counselors can be a conduit for information to employers about qualified youths and to youths about jobs and how to get them. The market model should not be an excuse for school inaction. Markets require schools' actions.

Employers rarely have good information about young job applicants, and youths rarely have good information about jobs. If employers tell counselors about their job openings and hiring criteria, counselors can assess students to help employers select youths and to help youths choose realistic plans. Counselors must also help minority and low-income youths to realize the increased availability of skilled jobs. Minority and low-income youths are especially dependent on schools since their parents often do not have experience in high school or in career-ladder jobs. Therefore, schools' failures to provide information are particularly harmful to these youths.

We stressed the need for schools to inform youths about the new labor market of the 1990s. The labor shortage will create new job opportunities for youths, and minority and low-income youths are unaccustomed to these opportunities. A natural lag is likely because youths will be skeptical of the new opportunities and because schooling takes time. Schools must take extra efforts to show youths that the rules are changing and that their opportunities are increasing. Moreover, employers could aid this effort by taking actions which show that the new rules have already begun. This may involve some sacrifices by employers, offering new job opportunities before they have to. However, these costs will be investments in motivating youths now in school.

Counselors must also cool-out "strike-it-rich" dreams. Counselors don't like to give bad news or to say that a student's dream is unlikely. The American stress on open opportunity takes the bite out of present achievement and selections, and counselors are reluctant to reach a verdict about a student's future from his performance. Counselors sometimes permit youths without college potential to aspire to jobs requiring BA degrees(Rosenbaum 1980). Counselors let youth pin their

hopes on "jackpot" jobs, jobs with high risks and rewards, like basketball or rock&roll. Its fine to encourage kids to work hard for such jobs with high risk and reward, but youths should not sacrifice all back-up options. Youth should be told the odds of "jackpot" jobs, and the meager consolation prizes if they fail. They should know the poor odds of getting into pro-sports and their poor back-up options if they lack basic literacy skills. Long hours at the hoop are a good investment in a long-shot big prize, but some hours at the books are a good insurance policy.

Youths, especially minority and low-income youths, need more information about available jobs, job requirements, and career futures. Counselors must tell youths when their plans are totally unrealistic and help them make realistic plans and practical strategies to pursue those plans.

6. Schools must make grades meaningful to employers, especially recruiters and foremen.

To make their evaluations meaningful to employers, schools must overcome employers' mistrust of grades--which are more useful than employers usually realize--and modify grades to be more useful to employers. Employers are often skeptical of grades and don't use them for hiring or for setting entry wages. However, employees with better grades get higher pay after five years (Bishop,1989), presumably because they are more productive. If employers recognized this from the outset and hired youths with better grades, they would obtain more productive employees and would provide clear incentives to youths to get better education.

However, some modification of grading could make grades more useful to employers.Teachers should give two kinds of grades: grades for effort and grades for achievement. Currently, grades indicate both effort and achievement, so grades are difficult to interpret. Separate grades for effort and achievement would have several advantages for employers.

"Effort grades" would tell employers which applicants are hard-working. For many jobs, effort is an important job requirement, and "effort grades" would be useful information that employers could not assess in any other way. Moreover, separate "effort grades" and "achievement grades" would make each more valid. Currently, grades are supposed to reflect achievement, but teachers are often tempted to raise the grades of low-achieving students who work hard(Rosenbaum, 1976). Separate grades would reduce that temptation. As we note in the next section, "effort grades" would also be more motivating to some students.

Standardized achievement tests could also be used to make grades better signals of basic skills. By administering tests, schools would have a standard for their grade scale. Tests would also help employers compare applicants from different schools. Since most employers hire from one or a few local high schools, this would rarely be needed, but it would help large regional employers.

Even if tests were given, there are still reasons for employers to base hiring partly on grades. Grades sample performance over a longer period of time than tests. Grades also sample a broader range of performances than timed, multiple-choice tests, and they are less affected by test-anxiety. Grades also come closer to reflecting real world achievement, which occurs in social contexts and in social interactions with peers and supervisors(Resnick, 1988; Rogoff and Lave, 1984). Moreover, grades indicate students' achievement relative to teachers' demands, which is analogous to work

situations where employees must satisfy supervisors' expectations.

Indeed, even the College Board, which creates and administers the SAT exams, tells colleges that students' high school records should influence college admissions more than SAT scores. SAT scores, the Board says, are "intended to supplement the secondary school record and other relevant information about the student in assessing competence for college work"(College Board, 1978). Crouse (1988) estimates that the SAT adds only a modest amount (typically .06-.08 in the multiple correlation) to the prediction of freshman grades over what the school record alone can predict. Surely the same cautions would apply even more strongly for predicting job performance, and grades and other school record information should be stressed over tests in hiring decisions.

In part, the confusion about what employers want comes from the fact that many kinds of employers(big and small firms, high and low skill jobs, etc.) have different views. Even members of the same firm may have different interests. The executives who serve on panels are concerned with academic skills, while foremen and recruiters may be concerned only with inexpensive and obedient labor(and they may even feel threatened by youths with strong academic skills). Since the latter actually hire new recruits, firms may be using different hiring criteria than executives intend. The success of the Brighton program in involving foremen suggests that recruiters and foremen are crucial to making hiring practices change.

7. To motivate youths, schools should rate students for "effort" and for "improved skills."

The current system of grading has difficulty motivating the bottom half of the class. Students with the lowest achievement and least motivation are least responsive to grades.

New kinds of grades would be better incentives for many students. In addition to grading students on their level of achievement, schools could also grade students on their effort or on raising their own achievement by some amount(McPartland and McDill 1977; Wagenaar, 1987, p.176). Attainable rewards which reflect students' efforts and competence encourage effort.

The circumstances in which grades are given can also influence the motivation of low-achieving students. Clear rules and consistent enforcement encourage academic achievement. Low-achieving students tend to work harder if schools strengthen their ties to students by creating smaller programs, by providing clear academic standards and consistent support for attaining these standards, by responding to student performance and behavior and giving them feelings of success, and by individuating curricular and instructional approaches to respond to the aptitudes and interests of at-risk students (Wagenaar,1987,p.180). Making courses more related to students' vocational objectives may encourage work-bound students to master basic skills by giving them a belief in the relevance of school for future jobs (Stern, et al., 1985).

8. Teachers should write references for work-bound students, as they do for the college-bound.

Giving teachers more authority is essential for raising standards. Students often get the impression that they can do an "end-run" around high school achievement, getting a good job without working in high school. American myths of "open opportunity" convey the illusion that youths can always have second chances for advancement without any penalty for poor previous

performance. American culture encourages a belief in the "easy, clever" way to success, and television shows examples of this fantasy all the time. It sometimes happens, of course, but it's a longshot. As long as youths harbor this fantasy as a serious option, they will not see teachers as having any authority over them, they will not see high school records as counting, and they will not see any payoff for school effort .

Just as teacher recommendations help colleges select among applicants and provide incentives to college-bound students, teacher recommendations would help employers' selections and provide incentives to work-bound students. Teacher recommendations might involve brief descriptions of students and rating scales about traits of concern to employers, such as energy, enthusiasm, perseverence, interpersonal skills, peer relations, need for supervision, ability to learn new tasks, etc. This would provide useful information to employers and would tell work-bound youths that their school efforts count.

Many other nations give teachers this kind of authority. As noted, in Japan, a committee of teachers nominates students for jobs based primarily on grades, and these nominations largely determine students' jobs. In Germany, students with the best grades get preferred apprenticeships. In Canada and several European nations, national examinations, based on the school curriculum, have large influence on hiring(George, 1987;Bishop, 1989). Although the Boston Compact does not require it, some Boston schools have tied individual students' grades with the jobs they get. Such practices allow teachers to affect important student outcomes, and we suspect these practices enhance student motivation and achievement.

Teacher recommendations have the distinctive advantage of telling work-bound students that they will be evaluated as individuals, and their own combination of skills and accomplishments matter. They are not just being rated on academic grades, which repeatedly place them on the bottom tail of the curve. They aren't just serving their time in school to get a diploma. Teachers are helping them and will evaluate their strengths and weaknesses to help them find a suitable job.

Giving teachers authority over hiring will make employers,teachers,and parents uncomfortable. Employers have long been reluctant to use teacher ratings in hiring. However, since grades predict later employee productivity, and since employers complain about youths' achievement and motivation, employers may be persuaded to use teachers' ratings in hiring. Teachers may be uncomfortable about having this influence, but if it encourages student effort, reduces discipline problems, and allows them to avoid making "bad bargains" with students (Sedlak,et al., 1986), teachers may be willing to assume this responsibility. Parents of work-bound students may become more concerned about their students' grades, but this may be an improvement, if it motivates parents to monitor their children's progress and to encourage their children's efforts in school.

This incentive is not the whole solution,but it is an important move in the right direction. It won't happen right away. It may take 30 years, for it requires changing norms and practices in many schools, firms, and people. But any move in this direction is a worthwhile step that will help reverse the current lack of incentives for work-bound students. If it increases the quality of high school graduates, this reform may even encourage employers to offer career ladders to youths.

9. Schools must make grades and teacher recommendations available to employers and make transcripts easily understood and compared.

Schools do not always get students' transcripts to employers in a timely manner(Bishop 1989). We do not know why this happens. Is it because schools place a low priority on these transcripts, or because schools learned that employers don't use grades? Regardless of cause, these practices require change. Bishop(1989) has proposed an easy solution: portable transcripts. Students would be given their own transcripts, encased in plastic to prevent alterations. This would permit students to carry their transcripts on job interviews.

Even when employers receive transcripts, they cannot easily interpret them. The abbreviations and cryptic course descriptions are hard to understand. Grading scales and their distributions also differ. These problems seem to be worse for non-college bound than for college-bound students. Schools should try to make transcripts easier to understand, and professional organizations and the US Department of Education should work to develop a standard that is comparable across schools.

10. Schools must restructure general track to offer preparation for youths' future goals.

The general track offers little preparation for either college or jobs, and so it offers youths no incentives to work in school. This track must be redesigned to offer youths incentives to work in school and to bolster teacher authority.

Many criticisms of American high schools are really criticisms of the general track. It lacks clear purpose. It lacks academic rigor for college or vocational training for work. Some propose that the general track should incorporate better college preparation(Oakes, 1985). Others propose introducing vocational courses, co-op programs, or learning-at-work to aid students' motivation (CED, 1985;Hamilton, 1987; Bishop, 1988;Stern,et al.,1985). Regardless, the general track in its present form offers too little reason for students to work in school.

11.Affirmative action groups should encourage employers to use grades for hiring.

Policies to help minority youths get better jobs must not undermine the influence of grades, which are students' main incentive to work in school.

If grades are good predictors of performance, why don't employers use grades to select employees? Court decisions about discriminatory hiring criteria raise a possible obstacle to using grades (Bishop 1989). The courts have posed severe standards for assuring that tests are valid and not discriminatory(Griggs vs. Duke Power). However, while the Equal Employment Opportunity Commission(EEOC) has aggressively examined tests, they have shown less concern about grades. Perhaps EEOC considers grades less discriminatory than tests or more suitable as bona fide occupational requirements since they reflect long-term performance.

In any case, there are strong reasons for EEOC to allow grades to affect hiring decisions. Work-bound youths will see no incentive to work in school if grades don't affect hiring. Minority access to an entry job is a hollow victory if minority students get the idea that basic skills are unnecessary. Moreover, entry jobs are a meager reward if employees lack the basic skills to get

promotions. EEOC has less influence over promotions, since employers can justify their promotion decisions with work-related performance ratings. Policies to help minority youths get better jobs must not undermine the main incentive for these youths to work in school.

12. What can the US Department of Labor and Department of Education do?

The Department of Labor and Department of Education can help publicize these problems and the ways they are being addressed in the US and other countries. The need for direction is evident. The above problems with the transition from high school to work are not even addressed by current reforms. Recent "school-work partnerships" focus on providing services to schools: providing tutors, staff developers, technical advisors, additional curriculum materials, or work-study jobs. According to one report, 60,000 partnerships have been tried(Howe et al., 1988), yet few link school achievement with important incentives, nor do they enhance teacher authority. While schools can always use additional resources, this analysis suggests that partnerships will be most effective if they focus on the central issues of providing student incentives and teacher authority. School-employer partnerships are a good vehicle for addressing these issues, so it is particularly disappointing that they have not done so.

Even the school-employer partnerships which address these issues are not being adequately described in the media. There is a great need to publicize the central issues and the most successful ways to address them. Otherwise, new partnerships will be ineffective and disappointing.

The Department of Labor and Department of Education should fund demonstration projects to encourage employers and schools to form linkages and to empower schools and teachers. While schools and employers can implement some features with little cost, linkages between schools and employers require additional funds. These funds may have to come from public sources, since linkages do not necessarily aid the short-term goals of either schools or employers.

In addition, the Department of Education should propose standards to make transcripts more understandable and comparable across schools. Currently, transcripts are so difficult to interpret and compare that they are virtually worthless for employers.

As we have noted, much time will be wasted if we wait for market mechanisms to react to these future problems. Meanwhile, we are at an impasse. Employers will not use grades until schools make grades available meaningful, understandable, and comparable; schools will not respond to employers' needs until those needs are more explicit; work-bound students will not exert effort until employers give them incentives and give teachers more authority. To get beyond this impasse, the federal government must initiate actions to make schools, employers, and students aware of how they can better advance their mutual goals.

Footnotes

1.This interpretation may not be legally correct, but as a practical matter the law has certainly made expulsion a great deal of trouble for teachers and principles. While student rights deserve protection, one result has been an erosion of teacher's authority. For over a decade, it was impossible to expell a student from New York City schools. Only in 1989 were the rules changed: a student with a gun in school can now be expelled.

2.Although some vocational programs get more resources than college track, many get outmoded equipment donated by local businesses.

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